



BRUCE A. CHERNOF, M.D.
Acting Director and Chief Medical Officer

JOHN R. COCHRAN, III
Chief Deputy Director

WILLIAM LOOS, M.D.
Acting Senior Medical Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

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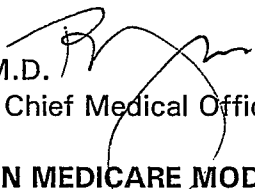
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January 19, 2006

TO: Each Supervisor

FROM: Bruce A. Chernof, M.D. 
Acting Director and Chief Medical Officer

SUBJECT: **STATUS REPORT ON MEDICARE MODERNIZATION ACT (MMA) SECTION 1011 PROGRAM PARTICIPATION**

As referenced in my November 23, 2005 Board letter, this is to provide a status report on our progress to enroll and participate in the MMA Section 1011 program that provides partial federal reimbursement for emergency services to undocumented immigrants. The key activities since the filing of the Board letter are:

- On December 6, 2005 your Board approved the Department's enrollment and participation in the MMA Section 1011 program.
- The Department submitted its provider application, including physician rosters for each of its emergency services and psychiatric medical centers, and was notified by email on December 12, 2005 that it had been accepted as a Section 1011 provider.
- Due to enrollment processing issues nationwide, the Section 1011 fiscal intermediary, TrailBlazer Health Enterprises, LLC (TrailBlazer), extended its claims submission deadline twice, from the original published date of December 27, 2005 to January 11, 2006 then to January 16, 2006. One of the complications was the CMS decision to terminate the electronic enrollment process necessitating TrailBlazer to manually enroll all approved providers including each provider's physician roster.
- The Department continues to work with TrailBlazer regarding various aspects of the claiming process. However, as of January 10, 2006, we have not received our

enrollment packet, PINs, billing software, etc., without which we cannot prepare our claims.

- On December 14, 2005 the Department received a letter from three patient advocacy groups responding to the November 21, 2005 advisory prepared for them indicating the Department's intention to enroll in the Section 1011 program. The letter noted several policy concerns regarding the Department's participation in the program with an emphasis on how DHS intends to glean information from its patients to determine whether to claim for services rendered. The Department is working with County Counsel to prepare an appropriate response to address the advocates' concerns and intends, along with County Counsel, to meet with the advocates personally as a follow-up action.
- The Department continues to work with outside counsel to determine whether the County can accept Medi-Cal Redesign and MMA Section 1011 payments. If the finding is received after the Section 1011 claim filing deadline (January 16, 2006) and the opinion is that the Department cannot claim for Section 1011 under Medi-Cal Redesign, necessary arrangements will be made to cancel the Section 1011 claims and repay any claim payments if received. In addition, the Department will send a disclosure statement to notify the federal government of the issue.
- On January 6, 2006 the Department was notified by CMS/TrailBlazer that its application had not been fully processed due to an additional enrollment authorization requirement not previously disclosed. The Department remedied the authorization anomaly on Monday January 9, 2006 and faxed the completed information to CMS/TrailBlazer on Tuesday January 10, 2006.

Given this most recent development and the fact that CMS/TrailBlazer has not yet released the Department's enrollment packet, PINs, billing software, etc., it is unlikely the Department will be able to claim for Third Quarter FFY 2005 Section 1011 services unless CMS/TrailBlazer provides a third filing extension.

The Department will continue to provide periodic reports to the Board on its participation in the Section 1011 program.

Please let me know if you have questions or require additional information.

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(1FORD\MMA SECTION 1011\BOARD STATUS REPORTS\STATUS REPORT NO. 1(01-0906)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors